

## Message Text

UNCLASSIFIED

PAGE 01 RIO DE 02905 051331Z  
ACTION EB-08

INFO OCT-01 ARA-14 ISO-00 TRSE-00 CTME-00 /023 W  
-----020813 051347Z /43/75

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FM AMCONSUL RIO DE JANEIRO  
TO SECSTATE WASHDC 6409  
INFO AMEMBASSY BRASILIA

UNCLAS RIO DE JANEIRO 2905

C O R R E C T E D C O P Y (TEXT)

E.O. 11652: N/A  
TAGS: ETRD, EIND, BR  
SUBJECT: TRIGGER PRICE MECHANISM

REF: STATE 157105

1. BRAZILIAN STEEL INSTITUTE (INSTITUTO BRASILEIRO DE  
SIDERURGIA-IBS) PUBLISHES AN ANNUAL YEARBOOK CONTAINING  
MUCH OF THE INFORMATION REQUESTED IN REFTEL; A MONTHLY  
BULLETIN IS ALSO ISSUED BY IBS WHICH INCLUDES LATEST  
AVAILABLE STEEL PRODUCTION FIGURES. COPY OF 1977  
IBS YEARBOOK AND LATEST MONTHLY BULLETINS WILL BE  
POUCHED SHORTLY. ADDITIONAL PRODUCTION, PRICE AND  
COST DATA ON STEEL SECTOR WILL BE TRANSMITTED AS SOON  
AS AVAILABLE.

2. PRICE INFORMATION (INCLUDING SALES) - FOR THE  
BRAZILIAN DOMESTIC MARKET, RAW STEEL AND SEMI-FINISHED  
STEEL PRICES ARE CONTROLLED BY THE INTERMINISTERIAL  
PRICE COUNCIL (CONSELHO INTERMINISTERIAL DE PRECOS-  
CIP), A GOB FEDERAL AGENCY. EXPORT PRICES ARE  
NEGOTIATED INDIVIDUALLY BY EXPORTING STEEL MILLS,  
CLOSELY FOLLOWING INTERNATIONAL MARKET TRENDS. TOTAL  
BRAZILIAN DOMESTIC SALES (SEMI-FINISHED PRODUCTS)  
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FOR 1977 WERE CR\$59,340 MILLION (7,768,195 MT.).

3. PRODUCTION INFORMATION (INCLUDING EXPORTS) -  
FOLLOWING IS INITIAL PRODUCTION DATA AVAILABLE ON  
STEEL SECTOR. TOTAL 1977 BRAZILIAN RAW STEEL PRODUC-  
TION WAS 11,16,755 MT, BROKEN DOWN BY PRODUCTION  
PROCESS) AS FOLLOWS: OPENHEARTH - 19.5PERCENT; BASISC

OXYGEN - 56.3PERCENT; ELECTRIC FURNACE - 24.0PERCENT. PRODUCTION BY STATE WAS AS FOLLOWS: MINAS GERAIS - 4,843,067 MT; SAO PAULO - 3,009,289 MT; RIO DE JANEIRO - 2,697,289 MT. PRODUCTION BY TYPE OF STEEL WAS AS FOLLOWS: SPONGE IRON - 358,059 MT; FERRO ALLOYS - 370,313 MT; PIG IRON - 9,380,372 MT; CONTINUOUS CASTING PRODUCTS - 1,957,256 MT; TOTAL ROLLED PRODUCTS - 8,822,359 MT; TOTAL FLAT PRODUCTS - 4,530,189 MT; TOTAL NON-FLAT PRODUCTS - 4,292,170 MT. EXPORTS IN 1977 TOTALLED 363,700 MT (WORTH \$81,047,000); TOTAL EXPORTS TO US MARKET-9,600 MT (WELDED TUBES), WORTH \$10,691,000 FOB.

4. COST OF PRODUCTION DATA - TONNAGE AND (WHERE AVAILABLE) COSTS OF STEEL SECTOR INPUTS ARE AS FOLLOWS: LIMESTONE - 2,155,581 MT, AVERAGE PRICE CR\$144,51/TON; DOLOMITE - 431,892 MT, AVERAGE PRICE CR\$833,07/TON; COAL CONSUMPTION 4,597,218 MT; CHARCOAL CONSUMPTION - 6,771,624MT; COKE - 3,549,253 MT; IRON ORE - 13,370,000 MT; MANGANESE ORE - 137,431 MT; SCRAP - 4,576,254 MT, AT AN AVERAGE COST OF CR\$811,39/TON; FUEL OIL - 1,203,272 MT, AT AN AVERAGE PRICE OF CR\$947,32/TON; ELECTRIC POWER - 6,320,881 MWH, AT AN AVERAGE PRICE OF CR\$300,00/MWH; OXYGEN - 627,706,900 CUBIC METERS, AT AN AVERAGE PRICE OF CR\$293/CUBIC METER.

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PUBLICATIONS, STEEL, PRICE DATA  
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**Disposition Approved on Date:**  
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**Disposition History:** n/a  
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**Subject:** TRIGGER PRICE MECHANISM  
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